How the Family First Act may affect child welfare financing

October 30, 2019
Agenda

• Introductions
• Background information
  o Family First Prevention Services Act
  o Child Welfare Financing Survey
• Findings potentially affected by the Family First Act
• How survey data are used
• Tour of additional products
• Discussion
Our presenters

Kristina Rosinsky  
Child Trends

Sarah Catherine Williams  
Child Trends

Meghann Dygert  
American Public Human Services Association (APHSA)
Background information
The Family First Prevention Services Act: FFPSA

- FFPSA was signed into law as part of the Bipartisan Budget Act of 2018 and the implementation period began in FY2020, with an optional 2-year delay until FY2022.

- Family First reforms the federal child welfare financing streams, Title IV-E and Title IV-B of the Social Security Act.

- New federal funds can be used for mental health services, substance use treatment, and in-home parenting skill training. The services may be provided for up to 12 months for children who are at imminent risk of entering foster care, their parents, kinship caregivers, and pregnant or parenting teens.

- Prevention programs must be evaluated and rated by the Prevention Services Clearinghouse (also established by Family First). Programs will be rated as promising, supported and well-supported.

- FFPSA also has implications for congregate care.
Survey background

- Supported by the Annie E. Casey Foundation and Casey Family Programs; conducted by Child Trends
- 10th iteration of the biannual survey since 1996
- Survey collects data on child welfare agency expenditures on child welfare services and activities
- 50 states (including D.C.) participated in the SFY 2016 survey
- SFY 2016 survey is similar to prior surveys, with the addition of some new questions

SFY 2016 survey collected data on child welfare agency 
expenditures on child welfare services and activities

**Expenditures** = All SFY expenditures for the programs, case management, administration, and operation of states’ child welfare services system. *(Not unspent allocated/appropriated funds)*

**Child welfare** = All of the following services administered by the child welfare agency for children/young adults* and families:

- Services for intact families to prevent child abuse or neglect, foster care placement, or re-entry
- Child protective services: intake, family assessment, investigation, and case management
- Out-of-home placements and associated services and supports
- Adoption and guardianship services and supports
- Services and assistance for older youth in, or previously in, foster care

*(including youth who are 18 and older)*
**Finding:** Total child welfare agency expenditures increased 5% since SFY 2014, but decreased over the last decade.

Between SFYs 2014 and 2016: 30 states reported an increase, 13 states reported a decrease.

**Change in total child welfare agency expenditures, SFYs 2006–2016 (29 states)**

- $21.4 billion in SFY 2006
- $21.7 billion in SFY 2008
- $21.7 billion in SFY 2010
- $20.3 billion in SFY 2012
- $20.0 billion in SFY 2014
- $20.9 billion in SFY 2016

$29.9 billion in SFY 2016
**Finding:** Expenditures from some federal funding streams decreased substantially over the past decade.

<table>
<thead>
<tr>
<th>Title IV-B funding for programs that primarily fund child welfare agencies</th>
<th>Medicaid</th>
<th>TANF</th>
<th>SSBG</th>
<th>Title IV-E</th>
<th>Other federal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decreases</td>
<td>-29%</td>
<td>-46%</td>
<td>&lt;1%</td>
<td>8%</td>
<td>5%</td>
</tr>
</tbody>
</table>

- **Changes in how state child welfare agencies use Medicaid**
- **Recent changes to Title IV-E**
- **Sequestration**
Finding: Child welfare agency spending continues to be predominantly financed by state and local sources.

Finding: Child welfare agency spending continues to be predominantly financed by state and local sources.

Federal and state/local spending, SFYs 2006-2016 (29 states)

- State/local: 56% (2006), 57% (2008), 56% (2010), 57% (2012), 57% (2014), 56% (2016)

Held steady over decade
**Finding:** States vary greatly in the source of child welfare agency expenditures.

<table>
<thead>
<tr>
<th>State</th>
<th>Federal</th>
<th>State/local</th>
</tr>
</thead>
<tbody>
<tr>
<td>Louisiana</td>
<td>78%</td>
<td>22%</td>
</tr>
<tr>
<td>Missouri</td>
<td>73%</td>
<td>27%</td>
</tr>
<tr>
<td>Oregon</td>
<td>57%</td>
<td>43%</td>
</tr>
<tr>
<td>Texas</td>
<td>47%</td>
<td>53%</td>
</tr>
<tr>
<td>Utah</td>
<td>42%</td>
<td>58%</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>25%</td>
<td>75%</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>22%</td>
<td>78%</td>
</tr>
<tr>
<td>Delaware</td>
<td>17%</td>
<td>83%</td>
</tr>
</tbody>
</table>
State variation in the proportion of expenditures from each major source, SFY 2016

<table>
<thead>
<tr>
<th>State</th>
<th>Federal funding structure</th>
<th>Medicaid</th>
<th>Title IV-B</th>
<th>Title IV-E</th>
<th>TANF</th>
<th>SSBG</th>
<th>Other federal</th>
<th>State/local</th>
</tr>
</thead>
<tbody>
<tr>
<td>Missouri</td>
<td>Balanced funding structure</td>
<td>29%</td>
<td>3%</td>
<td>11%</td>
<td>21%</td>
<td>8%</td>
<td>2%</td>
<td>27%</td>
</tr>
<tr>
<td>New Mexico</td>
<td>Federal dedicated funding</td>
<td>42%</td>
<td>5%</td>
<td>3%</td>
<td>21%</td>
<td>8%</td>
<td>2%</td>
<td>41%</td>
</tr>
<tr>
<td>Michigan</td>
<td>Federal nondedicated funding</td>
<td>19%</td>
<td>2%</td>
<td>33%</td>
<td>7%</td>
<td>8%</td>
<td>2%</td>
<td>39%</td>
</tr>
<tr>
<td>Delaware</td>
<td>State/local funding structure</td>
<td>10%</td>
<td>3%</td>
<td>83%</td>
<td>7%</td>
<td>8%</td>
<td>2%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Medicaid 1%; TANF 1%
Other federal, <1%
Medicaid 0%; TANF 1%; SSBG 2%; Other federal 1%
Findings potentially affected by the Family First Act
Finding: A relatively small proportion of child welfare agency expenditures are spent on preventive services.

Proportion of total expenditures on categories of services

- Out-of-home placements: 45%
- Adoption & guardianship: 18%
- Child protective services: 17%
- Preventive services: 15%
- Services & assistance for older youth: 2%
- Other: 3%

Could increase
Finding: Top 3 funding sources used to finance prevention services were state funds, Title IV-B, and Title IV-E.

Top funding sources for prevention services, SFY 2016

- State funds: 34 states
- Title IV-B: 28
- Title IV-E: 19

May allow Title IV-E to be a more significant source
Finding: Fewer child welfare agencies focus prevention spending on substance abuse and mental health services than on other preventive services.

- Federal
  - 37 states: Parent skill-based programs (19)
  - 37 states: Caseworker visits/administration (17)
  - 37 states: Financial supports (10)
  - 2 states: Substance abuse prevention & treatment
  - 2 states: Mental health treatment
  - 2 states: Other services

- State/local
  - 36 states: Parent skill-based programs (18)
  - 37 states: Caseworker visits/administration (17)
  - 18 states: Financial supports
  - 17 states: Substance abuse prevention & treatment
  - 13 states: Mental health treatment
  - 2 states: Other services

How prevention dollars are spent could change.
Finding: State and local sources finance slightly more than half of spending on family foster care and congregate care.

- 57% of spending on family foster care came from state/local sources.
- 64% of spending on congregate care came from state/local sources.

Might contribute to congregate care being financed even more heavily by state/local sources.
Finding: Few states were able to report information about spending on evidence-based practices (EBPs)

- Only 15 states responded
- State data systems are not set up to allow for the collection of these data in a straightforward manner
- Inability to produce spending data on EBPs will be of increasing importance with implementation of the Family First Act

We expect states will start tracking spending on EBPs more closely
New Questions for SFY 2018 Survey

- Kinship navigator programs
- Residential family-based substance abuse treatment facilities
Other changes...

Broader implications on financing

Looking forward to the 2020 Child Welfare Financing Survey
How survey data are used
Requests for information

- Government offices and officials
  - Hill staffers (Senate Finance, House Ways and Means)
  - Congressional Research Service
  - Congressional Budget Office
- Advocacy groups
- Doctoral students
- Media requests
State-level or issue-specific financing projects
Other financing questions

• Are there opportunities in my state to maximize existing funding streams?
• What financing strategies are other states using that my state could learn from?
• How much are we spending on [prevention, young children, older youth, etc.] and how has this changed over time?
• How much are we spending per case and how has this changed over time?
• Why does my state rely so heavily (or so little) on federal funds?
Child Welfare Financing Survey Products
Child Welfare Financing SFY 2016:
A survey of federal, state, and local expenditures

Kristina Rosinsky and Sarah Catherine Williams

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Child Welfare Financing SFY 2016: State-Level Data Table</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>STATE</td>
<td>Title IV-E</td>
<td>Title IV-B (j)</td>
<td>Medicaid (c)</td>
</tr>
<tr>
<td>4</td>
<td>Alabama (a)</td>
<td>$23,224,063</td>
<td>$10,648,372</td>
<td>$0</td>
</tr>
<tr>
<td>5</td>
<td>Alaska</td>
<td>$17,095,614</td>
<td>$10,610</td>
<td>$398,121</td>
</tr>
<tr>
<td>6</td>
<td>Arizona</td>
<td>$17,756,213</td>
<td>$13,847,689</td>
<td>$0</td>
</tr>
<tr>
<td>7</td>
<td>Arkansas (a)</td>
<td>$33,069,247</td>
<td>$6,765,924</td>
<td>$816,472</td>
</tr>
<tr>
<td>8</td>
<td>California</td>
<td>$11,776,505</td>
<td>$12,285,876</td>
<td>$419,352,02</td>
</tr>
<tr>
<td>9</td>
<td>Colorado (a)</td>
<td>$90,633,811</td>
<td>$6,854,182</td>
<td>$6,240,076</td>
</tr>
<tr>
<td>10</td>
<td>Connecticut</td>
<td>$127,449,745</td>
<td>$4,103,553</td>
<td>$23,602,401</td>
</tr>
<tr>
<td>11</td>
<td>Delaware</td>
<td>$83,184,460</td>
<td>$1,808,960</td>
<td>$0</td>
</tr>
<tr>
<td>12</td>
<td>District of Columbia</td>
<td>$80,679,320</td>
<td>$32,476</td>
<td>$954,839</td>
</tr>
<tr>
<td>13</td>
<td>Florida</td>
<td>$32,079,292</td>
<td>$36,377,773</td>
<td>$1,772,539</td>
</tr>
<tr>
<td>14</td>
<td>Georgia</td>
<td>$22,808,292</td>
<td>$22,673,466</td>
<td>$225,065</td>
</tr>
<tr>
<td>15</td>
<td>Hawaii</td>
<td>$13,104,915</td>
<td>$103,300</td>
<td>$0</td>
</tr>
<tr>
<td>16</td>
<td>Idaho</td>
<td>$17,175,292</td>
<td>$13,173,624</td>
<td>$0</td>
</tr>
<tr>
<td>17</td>
<td>Illinois</td>
<td>$29,188,946</td>
<td>$29,988,946</td>
<td>$13,741,373</td>
</tr>
<tr>
<td>18</td>
<td>Indiana</td>
<td>$20,366,262</td>
<td>$20,369,286</td>
<td>$4,267,252</td>
</tr>
<tr>
<td>19</td>
<td>Iowa</td>
<td>$18,308,527</td>
<td>$4,335,139</td>
<td>$0</td>
</tr>
<tr>
<td>20</td>
<td>Kansas (a)</td>
<td>$41,785,474</td>
<td>$4,269,056</td>
<td>$256,470</td>
</tr>
<tr>
<td>21</td>
<td>Kentucky</td>
<td>$33,019,603</td>
<td>$10,993,579</td>
<td>$0</td>
</tr>
<tr>
<td>22</td>
<td>Louisiana</td>
<td>$33,605,258</td>
<td>$11,799,469</td>
<td>$3,312,713</td>
</tr>
<tr>
<td>23</td>
<td>Maine</td>
<td>$30,753,047</td>
<td>$1,671,240</td>
<td>$0</td>
</tr>
</tbody>
</table>
Funding source resources:

- Medicaid
- SS BG
- TANF
- Title IV-B
- Title IV-E
- Other federal funds
- State and local funds
State-level resources
Discussion

Please type any questions or comments in the questions box.
Thank you!

Kristina Rosinsky, MPP
Research Scientist II
krosinsky@childtrends.org
240-223-9398

Sarah Catherine Williams, MSW
Research Scientist II
swilliams@childtrends.org
240-223-9230

Meghann Dygert
Policy Associate, Center for Child and Family Well-Being
mdygert@aphsa.org
202-866-0573